

REMARKS/ARGUMENTS

In the Office Action mailed on May 14, 2008, the claims are restricted into two Groups: Group I with claims 1-22 drawn to a holder indicating to the token acceptance device that the electronic coupon is to be redeemed and applied to the transaction, and Group II with claims 23-43 drawn to determining if there is a conflict between an electronic coupon and a paper based coupon. **In response, the claims of Group I are elected without traverse.**

Claims 23-43 are also correspondingly canceled. Applicants preserve the right to pursue the non-elected claims in a divisional application.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Respectfully submitted,



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